



LENDER NEWS

A Publication of the Des Moines District Office and Cedar Rapids Branch Office

October, 2005

From the District Director's Desk

Thank You for a Successful FY '05

Dear Lender:

Thanks to you, our lending partners, SBA in Iowa had a 12% increase in loan activity for the fiscal year ending September 30th over our previous year. 917 small businesses were able to obtain the capital and resources they needed to achieve their goals. The total dollar value of loans in Iowa was up over 42 percent increasing from \$138.8 million in FY 2004 to \$197.4 million in FY 2005, the largest since prior to 1995. We are extremely proud of this achievement, which was built upon a 31% increase in 2004 and a 19% increase in 2003.

Loans to small businesses owned by minorities increased 25 percent from 48 in FY 2004 to 60 in FY 2005. Loan approvals to women small business owners increased 14 percent up from 166 loans in FY 2004 to 189 loans in FY 2005. Loans to veterans remained the same at 83 loans.

Loans to rural businesses increased over 11 % during FY 2005, up from 336 loans to 375 loans in FY 2005. The total dollar value of loans to rural businesses increase 72% up from \$57.7 million in FY 2004 to \$99.3 million in FY 2005. Loans to rural businesses in FY 2005 accounted for 40% of the total loans and 50% of the total dollars loaned.

Loans were made in 89 of Iowa's 99 counties. Some of the counties in which no loans were made are some of Iowa's most economically challenged counties. Our goal in this upcoming year will be to work more closely with those of you that have a presence in or near those counties. Through these efforts, we hope to be able to better assist these communities and their small businesses with our programs and services.

We also had a very successful year in Iowa in the remaining aspects of our of our District activities having achieved all of these non-lending goals. These goals measure our other activities that assist small business such as our 8(A) and Hubzone certified firms, the level of technical assistance in the form of training and counseling to small businesses by the small business development centers, SCORE, women's business center and SBA staff, business matchmaking appointments and government contracting.

It was also record year for SBA in the nation with nearly 100,000 SBA backed loans.

The loss of LowDoc has opened the door for the use of the remaining tools in our 7(a) lending toolbox. These tools include not only SBAExpress and SBA Community Express but also the Export Working Capital Program, SBA Export Express and CAPLines program. For further information, request copies of our newly published 2006 edition of the Small Business Resource guide, check out our web page at www.sba.gov/financing or contact our office.

Copies of the 2006 edition of the Small Business Resource guide are available for your use and distribution to your customers. Contact Dave Lentell at thomas.lentell@sba.gov to get a supply. It is a comprehensive resource on programs and services available for small business. Pick up a few and distribute them to your local chamber of commerce or library.

A few final thoughts. Please remember to submit your nominations for the small business of the year awards we outlined

INFORMATION

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in last month's newsletter. The deadline is November 4, 2005. Contact Dave Lentell at thomas.lentell@sba.gov for additional information. We will be distributing our lender rankings for this past year in the next few days. Lastly look for a discussion on a little known program called Surety Bond Guarantees, for contractors in need of bonding for their projects, in our upcoming issues.

Again thank you for a successful year in assisting the small businesses of Iowa.

Sincerely,

Joseph M. Folsom
District Director

Revised Form 159 for 7(a) and 504 Loans Now Available For Use

As of October 1, 2005, SBA Form 159, Compensation Agreement for Services in Connection with Applicant and Loan, has been revised. It is now titled "Fee Disclosure Form and Compensation Agreement."

In addition, there is a separate version of Form 159 for each of the three loan programs: the 7(a) loan program [159 (7a)]; the 504 loan program [159 (504)]; and the Disaster loan program (159D). This notice covers only the 7(a) and 504 loan programs.

The new forms are available at SBA's website at www.sba.gov/library. Click on the hyperlink titled "Forms" and then on SBA Form 159 (7a) or SBA Form 159 (504). Significant changes are as follows:

1. The form's purpose is to identify those Agents that receive compensation for expediting the loan application for a 7(a) or 504 loan. Each version of the form now identifies the rules governing packaging and referral fees for that loan program as well as providing a hyperlink to the rules themselves.

2. The form specifically requires the name and business address of each Agent covered by the form. The form also lists those not considered to be an Agent for purposes of this form. The list includes a state-certified or state-licensed appraiser, an environmental professional, and any attorney hired to close a loan. These changes ensure that the lender or CDC will enter the correct loan agent data consistently.

3. The threshold for itemization of services provided by an Agent has been increased to \$2,500. (Previously, any agent that received more than \$1,000 (or \$300 in the case of 7(a) loans in the amount of \$15,000 or less) was required to submit a separate schedule itemizing the services performed including the date of the service and the time spent each day.)

The new edition of SBA Form 159 may be used immediately but in all cases must be used for 7(a) and 504 loan applications submitted to SBA beginning November 21, 2005.

Please contact our office with any questions you may have about the new revised form.

SBA Lender Activity Report for September

LENDER NAME	LOCATION	#	AMOUNT
Wells Fargo	Iowa	8	\$1,802,500
Iowa Business Growth Co.	Johnston	3	\$3,982,000
Siouxland Econ. Dev. Corp.	Sioux City	3	\$1,411,000
Great Western Bank	Clive	3	\$540,000
Community National Bank	Waterloo	3	\$450,000
First Bank	WDM	3	\$230,000
Boone Bank & Trust	Boone	3	\$207,000
Capital One	Virginia	3	\$185,000
Iowa Bank	Bellevue	3	\$135,000
Security Savings Bank	Gowrie	3	\$124,500
Small Business Growth Corp.	Illinois	2	\$555,000
John Deere Community CU	Waterloo	2	\$332,000
First American Bank	Clive	2	\$300,000
Quad City Bank & Trust Co.	Bettendorf	2	\$250,000
Gateway State Bank	Clinton	2	\$220,000
Guaranty Bank and Trust Co.	Cedar Rapids	2	\$210,000
Bank of America	Iowa	2	\$70,000
Community South Bank	Tennessee	1	\$1,870,000
Savings Bank	Primghar	1	\$1,600,000
First Western SBLC, Inc.	Texas	1	\$1,119,000
Union State Bank	Winterset	1	\$987,000
First State Bank	Conrad	1	\$775,000
Iowa State Bank	Des Moines	1	\$601,500
Pilot Grove Savings Bank	Mt. Pleasant	1	\$500,000
Elgin State Bank	Elgin	1	\$350,000
Stearns Bank	Minnesota	1	\$321,000
First Federal Bank	WDM	1	\$300,000
Central Bank	Storm Lake	1	\$268,000
Iowa State Bank & Trust Co.	Iowa City	1	\$250,000
First Central State Bank	Eldridge	1	\$221,000

LENDER NAME	LOCATION	#	AMOUNT
Clear Lake Bank & Trust	Clear Lake	1	\$200,000
Commercial Federal Bank	Cedar Rapids	1	\$160,000
Heritage Bank	Holstein	1	\$155,000
American National Bank	Holstein	1	\$150,000
Bankers Trust Company	Cedar Rapids	1	\$150,000
East Dubuque Savings Bank	Dubuque	1	\$150,000
Rolfe State Bank	Rolfe	1	\$150,000
United Bank of Iowa	Red Oak	1	\$150,000
Waukon State Bank	Waukon	1	\$150,000
West Bank	WDM	1	\$150,000
Farmers & Merch. Svgs. Bank	Iowa City	1	\$128,200
Bank Iowa	Cedar Rapids	1	\$108,500
Bank Iowa	Red Oak	1	\$100,000
Shelby County State Bank	Harlan	1	\$100,000
Nebraska State Bank of Omaha	Nebraska	1	\$76,000
Community State Bank	Indianola	1	\$75,000
Farmers Trust & Savings Bank	Buffalo Center	1	\$70,000
Home Federal Savings Bank	Minnesota	1	\$69,000
Valley State Bank	Guttenberg	1	\$61,500
Manufacturers Bank & Trust	Forest City	1	\$60,000
Peoples Savings Bank	Indianola	1	\$60,000
Corp. for Econ. Development	Des Moines	1	\$55,000
First Central State Bank	DeWitt	1	\$55,000
Central State Bank	Muscatine	1	\$51,500
Melvin Savings Bank	Melvin	1	\$27,200
Exchange State Bank	Adair	1	\$25,000
Cedar Rapids Bank & Trust Co.	Cedar Rapids	1	\$20,000
Hedrick Savings Bank	Ottumwa	1	\$12,500
Innovative Bank	California	1	\$10,000

The following lenders in Iowa were participant lenders in the SBA's 504 loan program during the month of September

LENDER NAME	LOCATION	#	AMOUNT
Savings Bank	Primghar	2	\$1,598,000
Harris National Association	Illinois	1	\$2,500,000
Security State Bank	Johnston	1	\$1,192,000
Mid America National Bank	Illinois	1	\$555,000

LENDER NAME	LOCATION	#	AMOUNT
First State Bank	Stanhope	1	\$450,000
Iowa State Bank	Orange City	1	\$67,500
U.S. Bank	Iowa	1	\$55,000